IN THE UNITED STATES BANKRUPTCY COURT FOR THE SOUTHERN DISTRICT OF TEXAS HOUSTON DIVISION

In re John Steven Steidl and Denise	§	Bankruptcy Case No.20-30162
Anne Steidl,	§	
	§	
Debtors	§	Chapter 7
	§	
	§	

CHAPTER 7 TRUSTEE'S APPLICATION TO EMPLOY THE LAW FIRM OF O'CONNORWECHSLER, PLLC AS LITIGATION COUNSEL TO THE TRUSTEE

THIS MOTION SEEKS AN ORDER THAT MAY ADVERSELY AFFECT YOU. IF YOU OPPOSE THE MOTION, YOU SHOULD IMMEDIATELY CONTACT THE MOVING PARTY TO RESOLVE THE DISPUTE. IF YOU AND THE MOVING PARTY CANNOT AGREE, YOU MUST FILE A RESPONSE AND SEND A COPY TO THE MOVING PARTY. YOU MUST FILE AND SERVE YOUR RESPONSE WITHIN 21 DAYS OF THE DATE THIS WAS SERVED ON YOU. YOUR RESPONSE MUST STATE WHY THE MOTION SHOULD NOT BE GRANTED. IF YOU DO NOT FILE A TIMELY RESPONSE, THE RELIEF MAY BE GRANTED WITHOUT FURTHER NOTICE TO YOU. IF YOU OPPOSE THE MOTION AND HAVE NOT REACHED AN AGREEMENT, YOU MUST ATTEND THE HEARING. UNLESS THE PARTIES AGREE OTHERWISE, THE COURT MAY CONSIDER EVIDENCE AT THE HEARING AND MAY DECIDE THE MOTION AT THE HEARING.

REPRESENTED PARTIES SHOULD ACT THROUGH THEIR ATTORNEY.

THERE WILL BE A HEARING ON THIS MOTION ON MARCH 27, 2020 AT 11:00 A.M. IN COURTROOM 403, 515 RUSK, HOUSTON, TX 77002

Randy W. Williams, chapter 7 trustee for John Steven Steidl and Denise Anne Steidl (the "Trustee"), files this Application to engage the law firm of O'ConnorWechsler PLLC ("OWPLLC") as his counsel.

Application to Employ OWPLLC

1. The Trustee desires to employ OWPLLC counsel on an hourly fee basis. The employment of OWPLLC is required to assist the Trustee in obtaining the Court's authority to sell assets (and related services, and any litigation and legal advisory services that arise as directed by the Trustee), including the sale of Alabama real estate and an operating "bounce house" business

owned by the debtors.

- 2. The Trustee has selected OWPLLC because it employs Annie Catmull ("<u>Catmull</u>") who, as set forth in more detail, has extensive bankruptcy experience.
- 3. OWPLLC maintains offices at 4400 Post Oak Parkway, Ste. 2360, Houston, Texas 77027. Catmull's direct line is (281)814-5977.
- 4. The Trustee believes that OWPLLC can provide the estate with the required legal expertise to allow the Trustee to efficiently maximize estate assets for the benefit of the creditors.
- 5. Catmull will be designated as attorney-in-charge and will be responsible for the representation. Catmull is admitted to practice before all Texas federal and bankruptcy courts, and to the Fifth Circuit Court of Appeals. After completing a full-time externship with the U.S. Bankruptcy Court, District of Utah, Catmull graduated in 1995 from the J. Quinney School of Law at the University of Utah. She was licensed by the S.D. of Texas in 1996, and thereafter her practice has been almost exclusively bankruptcy. As set forth in more detail in the attached Exhibit A, Catmull has significant experience in bankruptcy trials. Over the last 20 years, in addition, Catmull has represented many parties in interest to bankruptcy assets sales, including the holders of mineral liens, owners of overriding royalty interest in oil/gas properties, potential purchasers, and debtor's ownership. In the Trustee's view, she and OWPLLC is well-qualified for the proposed engagement.¹

Analysis of the Bechuck Factors

6. This Court has set forth specific factors relevant to the analysis of whether an

The Trustee anticipates that Catmull will provide most or all of the services. Should she need assistance from within her firm, however, it is available. Kathleen O'Connor has been licensed to practice in the State of Texas since 1995 and is admitted to practice before all Texas federal courts, and the Fifth Circuit Court of Appeals. She is a seasoned litigator, and a member of the invitation-only American Board of Trial Advocates, a national association of attorneys and judges whose mission is to foster improvement in the ethical and technical standards of practice in the field of advocacy. Her successful representations include a former employee in breach of fiduciary duty and claims under ERISA, breach of a non-compete and theft of trade secrets, construction contract disputes, defense of multiple wrongful death claims, prosecution of claims against construction bonds, and defense of multiple personal injury claims brought against multifamily real estate clients. She has also appeared and litigated in bankruptcy court.

application to employ counsel to a trustee satisfies Rule 2014 of the Federal Rules of Bankruptcy Procedure. *See In re Bechuck*, 472 B.R. 371 (Bankr. S.D. Tex. 2012). The Trustee believes that this Application satisfies the standards of Rule 2014 and *Bechuck* by describing the breadth and depth of OWPLLC's, and its individual attorneys', relevant experience, including their history of success in similar cases resulting in tangible, material, and identifiable benefits.

7. Prior representations of the Trustee. Between 2011 through 2014, Catmull represented the Trustee in the chapter 11 case (and in the later chapter 7) of Green Valley Growers, Inc., case no. 09-31630, S.D. of Tex., Houston Div., before Judge L. Paul; including in related adversary proceedings 11-03080, 11-03103, and 11-03346. Catmull's efforts yielded \$847,000 in cash recovery to the trustee and a reduction of over \$19 million in claims against the estate. Currently, Catmull represents the Trustee in as counsel in the chapter 7 bankruptcy of Gulfstream Trucking, LLC, case no. 19-36569 in the S.D. of Texas, Houston Division. Other those representations (Green Valley and Gulfstream), Catmull and OWPLLC have not represented the Trustee.

Description of Attorneys' Assignments and Duties

- 8. **Scope**. As proposed, OWPLLC will represent the Trustee in obtaining the Court's authority to sell assets, legal services related to such sales, and in litigation and legal advisory services, if any, as the need arises and determined and directed by the Trustee (including claim objections, if any).
- 9. At the time of this application the Trustee understands that the estate owns a non-exempt condominium in Alabama (24250 Perdido Beach Blvd, Orange Beach, Alabama) and an operating "bounce house" business (Bounce Zone, Inc.) owned by the debtors, which business has at least one interested buyer.
 - 10. Except as set forth above and in the attached affidavit, OWPLLC and its attorneys

² As set forth in the approved fee application in docket 521 in case no. 09-31630.

have no other connection with the debtor, its creditors, any other parties in interest, their respective attorneys and accountants, the United States trustee, or any person employed in the office of the United States trustee and are "disinterested persons" within the definition of Section 101(14) of the Bankruptcy Code on the matters for which it is to be engaged as counsel. *See* Attached Unsworn Declaration.

- 11. <u>Compensation</u>. Subject to Bankruptcy Court approval, the Trustee desires to compensate OWPLLC at an hourly rate of \$400 per hour for Catmull's services, between \$350 and \$275 per hour should the services of other attorneys at the firm be required, and \$110 per hour for paralegal services. In addition, OWPLLC shall be entitled to reimbursement of reasonable out-of-pocket expenses.
- 12. OWPLLC will submit fee applications in accordance with the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure and the rules of this Court.
- 13. Accordingly, the Trustee requests that the Court approve the retention of OWPLLC as counsel as set forth above and for such other relief as is just.

Respectfully submitted,

By: Randy W. Williams
Randy W. Williams
Byman & Associates PLLC
Attorney
7924 Broadway Suite 104
281-884-9262 direct
rww@bymanlaw.com

CHAPTER 7 TRUSTEE

and

O'CONNORWECHSLER PLLC

By: /s/ Annie Catmull

Annie E. Catmull State Bar No. 00794932 aecatmull@o-w-law.com 4400 Post Oak Plaza, Suite 2360 Houston, Texas 77027

Telephone: (281) 814-5977

PROPOSED ATTORNEYS FOR THE TRUSTEE

CERTIFICATE OF SERVICE

I hereby certify that, pursuant to B. R. 2014, on January 28, 2020 this instrument was served (i) by United States first class mail, with proper postage affixed, to (a) the United States Trustee, 515 Rusk Avenue, Suite 3516, Houston, Texas 77002, and (b) the creditors listed on the attached service list, and (ii) by electronic transmission to all registered ECF users appearing in the case as reflected in the email addresses listed immediately below.

<u>/s/ Annie Catmull</u> Annie Catmull

Annie E Catmull on behalf of Trustee Randy W Williams aecatmull@o-w-law.com, aecatmull@ecf.courtdrive.com

Donna Kaye Rashti on behalf of Creditor EQYInvest Grogans Owner, Ltd, LLP donna@rashtiandmitchell.com, dkrm@aol.com

Lawrence D Tackett on behalf of Debtor Jon Steven Steidl lawtackett@aol.com

Lawrence D Tackett on behalf of Joint Debtor Denise Anne Steidl lawtackett@aol.com

US Trustee USTPRegion07.HU.ECF@USDOJ.GOV

Randy W Williams rww@bymanlaw.com,

 $\underline{rw13@trustesolutions.com;} \underline{rw13@trustesolutions.net;} \underline{rw11@trustesolutions.net;} \underline{rwv11@trustesolutions.net;} \underline{rwv11$

SERVICE LIST

AT&T

C/0 Di versified Consultants, Inc. P.O. Box 551268 Jacksonville, FL 32255

AT&T C/0 Credence 17000 Dallas Parkway, Suite 204 Dallas, TX 75248

AT&T C/0 Franklin Collections P . 0 . Box 3 910 Tupelo, MS 38803-3910

AT&T C/0 Credence 17000 Dallas Parkway, Suite 204 Dallas, TX 75248

AT&T P.O. Box 5093 Carol Stream, IL 60197

BFS Capital 3301 N. University Drive, Suite 300 Pompano Beach, FL 33065

Bobby J. Hornsby, Atty 2010 Old Springville Road, Suite 100 Birmingham, AL 35215

Capital One P.O. Box 30281 Salt Lake City, UT 84130-0281

Capital One P.O. Box 30281 Salt Lake City, UT 84130-0281

Capital One Auto Finance P.O. Box 259407 Plano, TX 75025

Capital One Auto Finance P.O. Box 259407 Plano, TX 75025

Cesar Flores 1455 Lakeside Estates Drive, #1209 Houston, TX 77042

Clifford Kitten, MC 21212 Northwest Freeway, Suite 305 Cypress, TX 77429

Compass Bank 2009 Beltline Road Decatur, AL 35603

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Corporaation Service Company 251 Little Falls Drive Wilmington, DE 19808 Corporation Service Company P.O. Box 2576 Springfield, IL 62708

Corporation Service Company 801 Adlai Stevenson Drive Springfield, IL 62703

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Crystal Reiser C/O Stephen R. Walker, Atty P.O. Box 340 Lufkin, TX 75902

CT Corporation SYstems 330 N. Brand Blvd., Suite 700 Glendale, CA 91203

CT Lien Solutions 2929 Allen Parkway, Suite 100 Houston, TX 77019

Direct TV P.O. Box 105261 Atlanta, GA 30348-5261

Exact Sciences 145 E. Badger Road Madison, WI 53713-2723

Financial Agent Services P.O. Box 2576 Springfield, IL 62708

First Data Merchant Services 1600 Terrell Mill Road SE, Suite 400 Marietta, GA 30067

Fun Brands, Inc. 17767 N. Perimeter Drive, Suite Bll 7 Scottsdale, AZ 85255

Funding Circle 7 4 7 Front Street, 4th Floor San Francisco, CA 94111

Global Realty & Management, Inc. 15866 Champion Forest Drive Spring, TX 77379

HCA Houston Healthcare P. 0. Box 406420 Atlanta, GA 30384

HCA Houston Healthcare North Cypress C/O Medicredit, Inc. P. 0. Box 162 9

Maryland Heights, MO 63043-0629

Houston Radiology Assoc. C/0 Americollect

P.O. Box 1690 Manitowoc, WI 54221-1690

RS

Austin, TX 73301

Jay Chubb Insurance 164 Main Street, Suite C Pleasanton, CA 94566

JS Wilkenfeld, MD P.O. Box 690129 Houston, TX 77269

Kabbage 9258 Peachtree Street, NE, Suite 1688 Atlanta, GA 30309

Kohls P. 0. Box 3115 Milwaukee, WI 53201

Labcorp P.O. Box 2240 Burlington, NC 27216-2240

Lemon Cleaning Company 11811 N. Freeway, Suite 500 Houston, TX 77060

Lift Fund, Incl 2007 W. Martin Street San Antonio, TX 78207

Longwood Village, HOA C/0 Sterling ASI 6842 N. Sam Houston Parkway W. Houston, TX 77064

Mac Pizza Management, Inc. C/0 Allen Segal, Atty 1200 Briarcrest, Suite 3100 Bryan, TX 77802

Marcos Pizza 2000 Dairy Ashford, Suite 240 Houston, TX 77077

Memorial Pathology Consultants, LLC P .0. Box 910 Greenville, TX 75403

Methodist Hospital P. 0. Box 34 7 5 Toledo, OH 43607-0475

Methodist Hospital
P. 0. Box 34 7 5
Toledo, OH 43607-0475
Methodist Pathology Assoc.
C/0 SCS Centerprise Consul ting Services
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Plano, TX 75075

Michelle Mullican C/O Eric D. Nielson, Atty 9800 Northwest Freeway, Suite 314 Houston, TX 77092

Montgomery County Tax Assessor 109 Gladstell Street Conroe, TX 77301

Montgomery County Tax Assessor 109 Gladstell Street Conroe, TX 77301

Mr. Cooper P.O. Box 650783 Dallas, TX 75265

Pal Realty, Inc. 23976 Highway 59 N. Holmdel, NJ 07733-9000

Phoenix IV Assoc. C/O Bobby J. Hornsby, Atty 2010 Old Spring Road, Suite 100 Birmingham, AL 35215

Platinum Enterprises, LLC 19650 Ramblewood Drive Humble, TX 77338

Reliant Pest Control C/O Transworld Systems 500 Virginia Drive, Suite 514 Fort Washington, PA 19034 548 Market Street, #35697 San Francisco, CA 94104

Rojo Capital 548 Market Street, #35697 San Francisco, CA 94104

Rose Direct Funding C/0 Steven Zakharyayec, LLC 1430 Braodway, Suite 402 New York, NY 10018

S&S World Wide P .0. Box 513 7 5 Mill Street Colchester, CT 06415

Secured Lender Solutions, LLC P.O. Box 2576 Springfield, IL 62708

Small Business Administration 1402 Corinth St #2100 Dallas, TX 75215

Sync Bank - Care Credit P.O. Box 965036 Orlando, FL 32896

TDECU

1001 FM 2004 Lake Jackson, TX 77566

Texas State Comptroller P.O. Box 3486 Austin, TX 78714

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US Anesthesia Partners C/O SCS Centerprise Consul ting Services 2809 Regal Road, Suite 107 Plano, TX 75075

US Anesthesia Partners C/O Synerprises Consul ting 5651 Broadmoor Mission, KS 66202

West Houston Radiology Assoc. C/O Americollect P.O. Box 1690 Manitowoc, WI 54221-1690

William and Beverly Clough 62 60 Hunters View Lane Cumming, GA 30041

EXHIBIT A (EXAMPLES OF CATMULL'S BANKRUPTCY LITIGATION EXPERIENCE)

	Client(s)	Description of dispute	Length of trial/Results	Court and case #
1.	Owner and	Trustee's suit to impose on	Client (individual) granted	Adv. proc. 17-03265
	affiliate of	owner and affiliate liability	partial summary judgment	
	chapter 7	for the estate's debt in excess	10/31/18, 594 B.R. 383	
	corporation	of \$10 million	(2018); followed by multi-	
			party settlement in Aug. 2019	
2.	Co-obligors	Whether high net worth	No trial; successfully	Bankr. case no. 18-
	with debtor on	individual-debtor's chapter 11	mediated in 2018 by Judge D.	30385, S.D. of Tex.
	\$28 million in	should be converted to	Jones, settlement	(J. Isgur)
	bank debt	chapter 7	incorporated in confirmed	
			chapter 11 plan	
3.	Chapter 11	Objection to proof of claim of	Trial began 11/1/16 and	bankr. case no. 15-
	debtor (multi-	Fannie Mae, mortgagee	ended 12/21/16. Court found:	80319; adv. proc. no.
	family real		"Oak Grove and Fannie Mae	15-08013 (J. L. Paul)
	estate)		worked together in bad faith"	
			to foreclose; objection	
			partially sustained; see	
			https://www.govinfo.gov/content/pkg/US COURTS-txsb-3_15-bk-	
			80319/pdf/USCOURTS-txsb-3_15-bk-	
	~4.	25 1 25 2	80319-1.pdf	- ·
4.	Chapter 11	Motion of Fannie Mae for	1.5 days, stay relief denied,	Bankr. case no. 15-
	debtor (multi-	stay relief	continued stay conditioned,	80319
	family real		plan successfully confirmed,	
	estate)		final decree entered;	
			see https://www.leagle.com/decision/inbco2	
			0160205666	
5.	Plaintiff (an	Motion for contempt	3 hours; Jan. 2015; motion	Bankr., S.D. Tex. (J.
	individual) in		granted	Isgur); adv. proc. #
	suit to enforce			14-03307
	discharge and			
	settlement			
	injunction			
6.	Commercial	Debtor's opposed motion to	2 hours; Sept. 2014; motion	Bankr., S.D. Tex. (J.
	landlord in	extend 1129(e) deadline to	denied	Isgur); case # 13-
	chapter 11	confirm plan of		36878
	bankruptcy of	reorganization		
	restaurant			
	company,			
	objecting party	T * 1 * 1 * 1 * 1 * 1 * 1 * 1 * 1 * 1 *	151 0 : 2014	D 1 CD T /T
7.	Oilfield service	Litigation creditor's post-trial	1.5 days; Sept. 2014;	Bankr., S.D. Tex. (J.
	company in a	request for award of \$898,147	\$320,839 in fees allowed;	Brown); case # 13-
	chapter 11	in attorney fees and \$323,951	\$577,308 in fees disallowed,	2101
	bankruptcy,	in costs	\$323,951 in costs disallowed;	
	debtor		see https://www.govinfo.gov/content/pkg/US	
	objecting to		COURTS-txsb-4_13-bk-	
	request for		32101/pdf/USCOURTS-txsb-4_13-bk-	
	statutory		<u>32101-1.pdf</u>	

	Client(s)	Description of dispute	Length of trial/Results	Court and case #
	attorney fees	•		
8.	Judgment creditor, plaintiff judgment holder	Obtained injunction directing defendants to put \$1.154 million in sale proceeds into registry of court	1 hour; Aug. 2013; after initial evidentiary presentation, defendants agreed to injunction and settlement (that paid client substantially in full)	Bankr., S.D. Tex. (J. Bohm); adv. proc. 13-03175
9.	Small oil exploration and production company in chapter 11, debtor	Debtor's (i) objections to \$6 million proof of claim, and (ii) motion to estimate claim at zero	1.5 days; Nov. 2012; court disallowed \$6 million proof of claim; 5 th Circuit affirmed, see <i>Edward Talone, et al v. Anloc</i> , L.L.C., No. 13-20273 (5th Cir. 2014)	Bankr., S.D. Tex. (J. Isgur); case no. 12-31267
10.	Small telecommunica tions company reorganized under chapter 11, movant	Third motion for contempt of temporary injunction prohibiting contact with debtor's employees and prohibiting pursuit of litigation	17 days; March 2012 thru Feb. 2013, motion granted, the Fifth Circuit affirmed, see https://www.ca5.uscourts.gov/opinions/u npub/15/15-20246.0.pdf	Bankr., S.D. Tex. (J. Bohm); adv. proc. 10-3150
11.	Individual and principal of corporate chapter 7 debtor	Client's objection to the chapter 7 trustee's request for court approval of a settlement of litigation with insurance company	Jan. 2012, 3 hours, objection overruled	Bankr., S.D. Tex (J. Jones), case #11-32041
12.	Debtor in chapter 11 bankruptcy of Texas limited partnership that owned multimillion dollar home in Jackson, WY	Creditor builder's suit for breach of construction contract removed to Bankruptcy Court from Teton County, WY	3 days of bifurcated trial; June 2011; parties successfully mediated with Judge K. Ellison after trial on the contract, but before trial on damages occurred	Bankr., S.D. Tex. (J. Brown); adv. proc. 11-03070
13.	Small telecommunica tions company reorganized under chapter 11, movant	Second motion for contempt of temporary injunction prohibiting contact with debtor's employees and prohibiting pursuit of litigation	Nov. 2010 1.5 hours; motion granted and fees awarded in favor of debtor	Bankr., S.D. Tex. (J. Bohm); adv. proc. 10-3150
14.	Limited partnership with commercial lending business in chapter 11	Trial on court's order that debtor show cause why case should not be dismissed	Oct. 2010; half day; case dismissed	Bankr., S.D. Tex. (J. Paul); case # 10-32200
15.	Small telecommunica tions company reorganized under chapter	First motion for contempt of temporary injunction prohibiting contact with debtor's employees and prohibiting pursuit of	Oct. 2010; 1.5 hours of trial; motion granted, and fees awarded in favor of debtor	Bankr., S.D. Tex. (J. Bohm); adv. proc. 10-3150

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	Client(s)	Description of dispute	Length of trial/Results	Court and case #
	11	litigation		
16.	Large oilfield services providers and creditors in the chapter 11 bankruptcy case of an oil and gas exploration company	Dispute with debtor's pre- bankruptcy secured lender over validity and priority of bank's various recorded mortgage documents versus mechanic/mineral liens filed by oilfield service providers	3 days of trial during Aug. 2010; Oklahoma and Texas liens in favor of mineral lienholders declared partially prior to bank mortgage; see the following pre-trial summary judgment ruling which describes the issues tried: see https://www.txnb.uscourts.gov/sites/txnb/files/opinions/09-03447_Baker_Hughes_Oilfield_Operatio ns_Incet_al_v_Union_Bank_of_California%2C_N.Aet al_08_25_2010.pdf	Bankr., N.D. of Tex (J. Houser); adv. proc. # 09-03447